GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2620
ANSWERED ON:17.03.2017
Listing of Profit Making PSUs
Jayavardhan Dr. Jayakumar;Mahadik Shri Dhananjay Bhimrao;Patil Shri Vijaysinh Mohite;Satav Shri Rajeev Shankarrao;Singh Shri Bharatendra;Sule Smt. Supriya Sadanand;Suman Shri Balka

Will the Minister of FINANCE be pleased to state:

(a) whether only a few profit making PSUs have been listed in the stock exchanges, if so, the details thereof and the reasons therefor;
(b) whether the Government plans to fix strict timelines for all profit making large and medium sized State owned firms to launch IPOs and getting listed on the stock exchanges;
(c) if so, the details thereof and the objective behind the move;
(d) the response of the PSUs in this regard; and
(e) the other steps taken by the Government to open up PSUs for public scrutiny and higher transparency?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) to (d): As per the extant disinvestment policy, Central Public Sector Enterprises (CPSEs) having a positive net-worth, no accumulated losses and having earned net-profits in three preceding consecutive years are considered for listing on the stock exchange following SEBI's rules/regulations.

The Government has listed 6 CPSEs (National Hydroelectric Power Corporation Ltd., Oil India Ltd., Satluj Jal Vidyut Nigam Ltd., Coal India Ltd., MOIL Ltd. & National Building Construction Corporation) through the IPO route since 2009. In addition, 4 CPSEs (Hindustan Aeronautics Ltd., Rashtriya Ispat Nigam Ltd., Cochin Shipyard Ltd. & Housing and Urban Development Corporation) have been approved for listing through the IPO route since August, 2012.

As announced in Budget 2017-18, the Government has put in place a mechanism/procedure alongwith indicative timelines for listing of CPSEs on 17.02.2017. The Administrative Ministries/Departments have been requested to follow the suggested timelines and to complete time-bound listing of identified CPSEs, as per the extant Act, Rules and Regulations.

(e) The transparent functioning of CPSEs with independent directors on the Board is regulated as per the provisions of Companies Act/Rules and the guidelines issued by the Government from time to time.

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